



July 30, 2004

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Center Drive  
Alexandria, VA  
22302-1500

Ms. Phyllis Bramson-Paul, Director  
Nutrition Services Division  
State Department of Education  
560 J Street, Room 270  
Sacramento, California 95814-2342

Dear Ms. Bramson-Paul:

As you know, Section 123 of Public Law 108-265, the Child Nutrition and WIC Reauthorization Act of 2004, established a five-year SFSP pilot program in the State of California for the period of Fiscal Years (FY) 2005-2009. Under the pilot, eligible organizations (schools are not eligible to participate in the pilot) that wish to participate in the California SFSP will have two options:

- SFSP: Continue to operate the SFSP in accordance with current requirements, meaning that sponsors may claim any combination of two meals per day, except lunch and supper, on any day of normal SFSP operation; or
- Year-Round SFSP Pilot: Operate the SFSP as usual, but provide one snack per day to children during the regular school year at one or more of their sites during times when the SFSP would not normally operate.

The pilot is scheduled to begin on October 1, 2004. We recommend that the California Department of Education (CDE) conduct outreach for the pilot as soon as possible by contacting currently participating SFSP sponsors, those institutions serving at-risk snacks under the Child and Adult Care Food Program, and other organizations from which you have had positive indications of interest. Organizations that are not currently participating in SFSP may only participate in the pilot if they are able and commit to provide meals during periods of normal SFSP operation as well.

For those organizations wishing to operate the pilot beginning on October 1, 2004, we recommend that the State set an application deadline that will allow CDE to approve or deny the pilot application no later than September 15, 2004. CDE should continue to approve viable pilot sponsors as they apply throughout the year. CDE should use its regular SFSP agreement with pilot sponsors, amended to incorporate the special requirements of the pilot included in this letter. Given the short timeframe between now and October 1, CDE should allow currently participating organizations that wish to begin pilot operations on October 1, to amend their current agreement for the purpose of pilot participation, and provide full applications for 2005 while they operate the pilot.

We also recommend that CDE send a notice to all potential pilot sponsors to include the following:

- If CDE approves an organization's application to participate in the Year-Round SFSP Pilot, it will conditionally approve the application for the entire year, including providing snack service during the school year and providing normal SFSP meal service when the SFSP would normally operate. Given the short time between now and October 1, CDE will accept an amendment to the 2004 agreement as an application from an organization that is currently participating in the 2004 SFSP and wishes to begin pilot operations on October 1. CDE will later require the organization to complete the 2005 SFSP Program application. Organizations not wishing to participate in the Year-Round SFSP Pilot would, of course, simply be required to submit an application by the CDE's normal deadlines for year-round or traditional school calendar SFSP sponsors;
- Organizations that operate the pilot must serve snacks during part or all of the regular school year (traditional or year-round calendar) at one or more of the SFSP sites they operate, and may serve snacks on weekends and school holidays during the regular school year;
- Organizations participating in the pilot will claim SFSP reimbursement, including administrative costs. During the school year, the organization may claim only one snack per day. During normal SFSP operations, organizations may claim up to two meals/snacks, consistent with current SFSP regulations. Organizations operating the pilot will not be permitted to claim reimbursement for a third meal service except as provided for in the SFSP regulations (e.g., camps and migrant sites);
- Organizations applying to operate the pilot must document in their application that they have a plan, and the resources, for conducting effective monitoring of the snacks served at pilot sites;
- Organizations applying to operate the pilot must certify that they will assume final financial and administrative responsibility for all Program activity (meal service) at their pilot and regular SFSP sites; and that
- Organizations participating in the pilot will be required to submit claims for operating and administrative reimbursement on a cost accounting basis, as normally required in the SFSP, and will be required to separately identify the snacks being claimed under the pilot on the FNS-418.

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CDE also will report monthly SFSP claims on the FNS-418 as usual, and must also separately identify the snacks being claimed under the pilot that could not normally be claimed in the SFSP. This will permit CDE to meet the statutory requirement at § 18(j)(4) that it “submit to the Secretary a report on the effect . . . (of the pilot)” by September 30, 2007.

We hope that this information will prove useful to you in your planning for the start of the pilot program. Please contact the Western Regional Office if you have additional questions concerning administration of the pilot.

Sincerely,

A handwritten signature in purple ink, reading "Stanley C. Garnett". The signature is written in a cursive, flowing style.

STANLEY C. GARNETT

Director

Child Nutrition Division